

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING DOCKET NO. VGOB-97-06/17-0587
ELECTIONS, UNIT: VP8-SGU-2
(herein "Subject Drilling Unit")

REPORT OF BOARD

FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at its hearing held at 9:00 a.m. on September 17, 1996, Dickenson Conference Room, Southwest Virginia Education 4-H Center, Abingdon, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirements of Section 7.C of the Virginia Gas and Oil Board Regulations, VR-480-05-22.2 by supplementing the Order previously issued by the Board for subject Docket on Nov. 6, 1997, recorded at Deed Book 470, Page 73 in the office of the Clerk of South Grundy District, Buchanan County, Virginia on Nov. 13, 1997, (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interests in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, Section 45.1-361.1 *et seq.*, Virginia Code, 1950 as amended.

2. Findings: The Board finds that:

(a). The Board Order directed Consol, Inc. (herein the "Designated Operator"), to mail copies of the Board order to all respondents whose interests, if any, were pooled by said board Order.

(b). The Designated Operator filed its affidavit of mailing disclosing that it had mailed a true and correct copy of the Board's order to all respondents whose interests, if any, were pooled by said Board Order.

©. The Board order required each respondent whose interests, if any, were pooled by the terms of said Board order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order, the Designated Operator has filed its affidavit in accordance with Section 7.c of the Virginia Gas and Oil Board Regulations and VR 480-05-22.2 (herein "Affidavit of Election"), wherein it has, for each respondent whose interests, if any, were pooled by said Board Order, stated (i) whether each respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Designated Operator;

(d). The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit A.

(e). Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Virginia Bank - Mountain Empire, c/o Trust Department, P. O. Box 1038, Abingdon, Virginia 24212 or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow.

3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2, above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, First Virginia Bank - Mountain Empire, c/o Trust Department, P. O. Box 1038, Abingdon, Virginia 24212, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said Affidavits to receive such funds and account to the Board therefore.

4. Mailing of the Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed within seven (7) days from the date of receipt of this Order to each person whose interest or claim is subject to escrow and whose address is known.


5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 17th day of April, 1998, by a majority of the Virginia Gas and Oil Board.



Chairman, Benny R. Wampler

DONE AND PERFORMED this 24th day of April, 1998, by Order of this Board.


Byron Thomas Fulmer
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

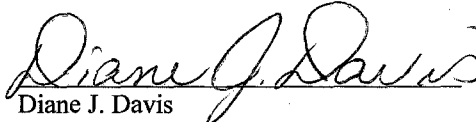
Acknowledged on this 17th day of April, 1998, personally before me a notary public in and for the commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

My commission expires 7/31/98

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 24th day of April, 1998, personally before me a notary public in and for the commonwealth of Virginia, appeared Byron Thomas Fulmer being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board that he executed the same and was authorized to do so.


Diane J. Davis
Notary Public

My commission expires 9/30/2001

VIRGINIA:

Exhibit A

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of Consol, Inc. for Forced Pooling of Interests in Unit Number VP8-SGU2 VGOB Docket No. 97-0617-0587 in the South Grundy District of Buchanan County, Virginia

AFFIDAVIT OF CONSOL, INC. (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Leslie K. Arrington (herein Affiant), being first duly sworn on oath, deposes and says:

1. That your Affiant is employed by Consol, Inc., the Designated Operator, at its office located at P.O. Box 947 Bluefield, VA 24605, that your Affiant is the Designated Operator's Permit Specialist, and is authorized for give this Affidavit in its behalf;

2. That the Order entered on November 6, 1997, by the Virginia Gas and Oil Board regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;

3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, your Affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that annexed hereto and incorporated herein are copies of the letters of transmittal, receipts for certified mail, and return receipts pertaining to said mailing;

4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on November 13, 1997.

5. That the Designated Operator, Consol, Inc., has established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election period:

None.

6. That the interests and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia;

SEE ATTACHED SHEET identified as Exhibit E

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interests and/or claims which are not subject to escrow and should, therefore, be dismissed as Respondents:

None

8. That pursuant to the provisions of VR 480-05-22.27.C and VR 480-05-22.2.8, annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; (See Exhibit B-3) that said annexed supplemental order sets forth and identifies the conflicting claims and/or interests which require escrow of funds pursuant to the terms of §§ 45.1-361.21.D, 45.1-361.22.A.3 and 4.; (See Exhibit E)

Dated at Bluefield, Virginia, this 14th day of JANUARY, 1998.

Leslie K. Arrington
Affiant

Taken, subscribed and sworn to before me by Leslie K. Arrington, the Permit Specialist, of Consol, Inc., a corporation, on behalf of the corporation, this 14th day of January, 1998.

My commission expires: 6-31-2001

[Signature]
Notary

VP 8 - S G U 2
Docket No. VGOB-97/06/17-0587
Exhibit B-3
List of Unleased Owners/Claimants

	Net Acres in Unit	Interest in Unit	Election
I. <u>OIL & GAS FEE OWNERSHIP</u>			
<u>TRACT #16A - 12.55 acres</u>			
(1) Jerry Raines P. O. Box 132 Oakwood, VA 24631	12.55 acres	0.73135%	Deemed Leased
<u>TRACT # 12 - 39.70 acres</u>			
(1) (Surface Owner CBM Claimant)			
B. F. McGlothlin Heirs, Devisees, Successors or Assigns	39.70	2.31351%	Deemed Leased
(1) Bennie McGlothlin Rt. 1, Box 182 Hiltons, VA 24258			Deemed Leased
(1) Bonnie McGlothlin Rt. 1, Box 182 Hiltons, VA 24258			Deemed Leased
(1) Ralph Edward McGlothlin 94 Collins Crest Cedar Bluff, VA 24609			Deemed Leased
(1) Robert D. McGlothlin Rt. 1 Box 273F Dublin, VA 24084			Deemed Leased
(1) Ruby B. McGlothlin 207 West Fincastle Drive Tazewell, VA 24651			Deemed Leased
(1) Helen E. Counts 1334 Augusta Street Bluefield, WV 24701			Deemed Leased
(1) Frankie Mae Street Heirs, Devisees, Successors or Assigns			Deemed Leased
(a) N. D. Street, Trustee Will of Frankie Mae Street P. O. Drawer 2100 Grundy, VA 24614			Deemed Leased
(b) H. A. Street, Trustee Will of Frankie Mae Street P. O. Drawer 2100 Grundy, VA 24614			Deemed Leased
(c) Gaynell S. Fowler Rt. 2, Box 263 Moorehaven, FL 33471			Deemed Leased
(d) James H. Street P. O. Box 2100 Grundy, VA 24614			Deemed Leased

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	Net Acres in Unit	Interest in Unit	Election
(e) Marcus A. Street Address Unknown			Deemed Leased
(f) Robert D. Street Address Unknown			Deemed Leased
(g) David A. Street Address Unknown			Deemed Leased
(h) Lauren F. Street Address Unknown			Deemed Leased
(i) Russell K. Street 110 Buford Avenue Anderson, SC 29621			Deemed Leased
(j) Susan S. Hoffman 4215 Langley Avenue St. Bernard, OH 45217			Deemed Leased
(k) Colleen S. Mellors 17 Commercial Road Devizes, Wiltshire SNID-1UK			Deemed Leased
(l) Stephen Street RD 1, Sunset Lake Road Richmond, OH 43944			Deemed Leased
(m) Lisa Street RD 1, Sunset Lake Road Richmond, OH 43944			Deemed Leased
(n) Nelgie Lane Street P. O. Box 1460 Grundy, VA 24614			Deemed Leased
(o) Barry Dale Norris P. O. Box 3328 CRS Johnson City, TN 37615			Deemed Leased
(p) Michael Norris 590 County Home Road Blountville, TN 37617			Deemed Leased
(q) Ann Norris Reid 2924 SE Alder Street Portland, OR 97214			Deemed Leased
(r) Frank Arthur Norris 2005 Sandlewood Drive Dunwoody, GA 20350			Deemed Leased
(s) Dwight Douglas Norris Rt. 3, Brumley Circle Lebanon, VA 24266			Deemed Leased
(t) Benjamin A. Street Rt. 2, Box 125 Vansant, VA 24656			Deemed Leased

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Docket No. VGOB-97/06/17-0587
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List of Unleased Owners/Claimants

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	Net Acres in Unit	Interest in Unit	Election
(u) Daniel S. Street Rt. 2, Box 125 Vansant, VA 24656			Deemed Leased
(v) Jill Nicole Street Rt. 2, Box 125 Vansant, VA 24656			Deemed Leased
(1) Joseph Blair McGlothlin P. O. Box 71 Cedar Bluff, VA 24609			Deemed Leased
(1) Catherine M. Warren 2208 Wingfield Road Charlottesville, VA 22901			Deemed Leased
(1) Nannie P. Lockhart Rt. 1 Box 79 Pounding Mill, VA 24637			Deemed Leased
(1) Mary & D.A. McGlothlin, Sr. P.O. Box 904 Grundy, VA 24614			
(1) Billy Sue Dixon Rt. 1, 200 Heather Rd. Bristol, VA 24201			Deemed Leased
(1) Peggy & Henry Durham 2232 Island Road Blountville, TN 37617			Deemed Leased
(1) Rose Myrtle Wampler P. O. Box 70 Oakwood, VA 24631			Deemed Leased
(1) Woodrow & Sally McGlothlin Box 266 Oakwood, VA 24631			Deemed Leased
(1) Doris Ann McGlothlin P. O. Box 428 Raven, VA 24639			Deemed Leased
(1) Francis Ann Borkey 503 Ridgley Lane Richmond, VA 23229			Deemed Leased
(1) James Lloyd McGlothlin Rt. 3, Box 67 Cedar Bluff, VA 24609			Deemed Leased
(1) Una Lee Mulligan Bailey P. O. Box 51 Richlands, VA 24641			Deemed Leased
(1) Cecil Earl McGlothlin 314 Toria Drive Statesville, NC 28677			Deemed Leased

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	Net Acres in Unit	Interest in Unit	Election
(1) Norman McGlothlin 6107 63rd Place Riverdale, MD 20737			Deemed Leased
(1) Ann M. Mullins 3343 Nottingham Drive Tallahassee, FL 32312			Deemed Leased
(1) Mike Mullins 1445 Westerly Terrace Los Angeles, CA 90026			Deemed Leased
(1) Charles Robert Dixon 106 West Park Drive Kingsport, TN 37662			Deemed Leased
(1) Gladys Jessee 413 North Street Richlands, VA 24641			Deemed Leased

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Exhibit E

List of Conflicting Owners/Claimants that Require Escreow

	Net Acres in Unit	Interest in Unit
<u>TRACT #8 - 3.63 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Big Axe Land Company Tr 30 c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	3.63 acres	0.21154%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Island Creek Coal Company Drawer L Oakwood VA 24631	3.63 acres	0.21154%
<u>TRACT #10A- 51.45 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Big Axe Land Company Tr 1 c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	51.45 acres	2.99823%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Garden Realty Corporation c/o Betty Boyd King 3610 Winding Way Winston-Salem, NC 27106	51.45 acres	2.99823%
<u>TRACT #10B- 98.27 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Big Axe Land Company Tr 1 c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	98.27 acres	5.72666%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Oakwood Gathering Inc. Drawer L Oakwood, VA 24631	98.27 acres	5.72666%
<u>TRACT #10C- 44.53 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Big Axe Land Company Tr 1 c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	44.53 acres	2.59497%

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	Net Acres in Unit	Interest in Unit
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Garden Realty Corporation c/o Betty Boyd King 3610 Winding Way Winston-Salem, NC 27106	44.53 acres	2.59497%
<u>TRACT #10D- 3.77 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Big Axe Land Company Tr 1 c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	3.77 acres	0.21970%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Garden Realty Corporation c/o Betty Boyd King 3610 Winding Way Winston-Salem, NC 27106	3.77 acres	0.21970%
<u>TRACT # 12 - 39.70 acres</u>		
(1) Big Axe Land Company Tr 8 c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	39.70 acres	2.31351%
(2) (Surface Owner CBM Claimant)		
B. F. McGlothlin Heirs, Devisees, Successors or Assigns		
(1) Bennie McGlothlin Rt. 1, Box 182 Hiltons, VA 24258		
(1) Bonnie McGlothlin Rt. 1, Box 182 Hiltons, VA 24258		
(1) Ralph Edward McGlothlin 94 Collins Crest Cedar Bluff, VA 24609		
(1) Robert D. McGlothlin Rt. 1 Box 273F Dublin, VA 24084		
(1) Ruby B. McGlothlin 207 West Fincastle Drive Tazewell, VA 24651		
(1) Helen E. Counts 1334 Augusta Street Bluefield, WV 24701		

List of Conflicting Owners/Claimants that Require Escreow

	Net Acres in Unit	Interest in Unit
(1) Frankie Mae Street Heirs, Devisees, Successors or Assigns		
(a) N. D. Street, Trustee Will of Frankie Mae Street P. O. Drawer 2100 Grundy, VA 24614		
(b) H. A. Street, Trustee Will of Frankie Mae Street P. O. Drawer 2100 Grundy, VA 24614		
(c) Gaynell S. Fowler Rt. 2, Box 263 Moorehaven, FL 33471		
(d) James H. Street P. O. Box 2100 Grundy, VA 24614		
(e) Marcus A. Street Address Unknown		
(f) Robert D. Street Address Unknown		
(g) David A. Street Address Unknown		
(h) Lauren F. Street Address Unknown		
(i) Russell K. Street 110 Buford Avenue Anderson, SC 29621		
(j) Susan S. Hoffman 4215 Langley Avenue St. Bbernard, OH 45217		
(k) Colleen S. Mellors 17 Commercial Road Devizes, Willshire SNID-1UK		
(l) Stephen Street RD 1, Sunset Lake Road Richmond, OH 43944		
(m) Lisa Street RD 1, Sunset Lake Road Richmond, OH 43944		
(n) Nelgie Lane Street P. O. Bos 1460 Grundy, VA 24614		
(o) Barry Dale Norris P. O. Box 3328 CRS Johnson City, TN 37615		

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	Net Acres in Unit	Interest in Unit
(p) Michael Norris 590 County Home Road Blountville, TN 37617		
(q) Ann Norris Reid 2924 SE Alder Street Portland, OR 97214		
(r) Frank Arthur Norris 2005 Sandlewood Drive Dunwoody, GA 20350		
(s) Dwight Douglas Norris Rt. 3, Brumley Circle Lebanon, VA 24266		
(t) Benjamin A. Street Rt. 2, Box 125 Vansant, VA 24656		
(u) Daniel S. Street Rt. 2, Box 125 Vansant, VA 24656		
(v) Jill Nicole Street Rt. 2, Box 125 Vansant, VA 24656		
(1) Joseph Blair McGlothlin P. O. Box 71 Cedar Bluff, VA 24609		
(1) Catherine M. Warren 2208 Wingfield Road Charlottesville, VA 22901		
(1) Nannie P. Lockhart Rt. 1 Box 79 Pounding Mill, VA 24637		
(1) Mary & D.A. McGlothlin, Sr. P.O. Box 904 Grundy, VA 24614		
(1) Billy Sue Dixon Rt. 1, 200 Heather Rd. Bristol, VA 24201		
(1) Peggy & Henry Durham 2232 Island Road Blountville, TN 37617		
(1) Rose Myrtle Wampler P. O. Box 70 Oakwood, VA 24631		
(1) Woodrow & Sally McGlothlin Box 266 Oakwood, VA 24631		

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	Net Acres in Unit	Interest in Unit
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(1) Francis Ann Borkey 503 Ridgley Lane Richmond, VA 23229		
(1) James Lloyd McGlothlin Rt. 3, Box 67 Cedar Bluff, VA 24609		
(1) Una Lee Mulligan Bailey P. O. Box 51 Richlands, VA 24641		
(1) Cecil Earl McGlothlin 314 Toria Drive Statesville, NC 28677		
(1) Norman McGlothlin 6107 63rd Place Riverdale, MD 20737		
(1) Ann M. Mullins 3343 Notingham Drive Tallahassee, FL 32312		
(1) Mike Mullins 1445 Westerly Terrace Los Angeles, CA 90026		
(1) Charles Robert Dixon 106 West Park Drive Kingsport, TN 37662		
(1) Gladys Jessee 413 North Street Richlands, VA 24641		

TRACT #16A- 12.55 acres

COAL FEE OWNERSHIP

(1) Big Axe Land Company Tr 2 c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	12.55 acres	0.73135%
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OIL & GAS FEE OWNERSHIP

(1) Jerry Raines P. O. Box 132 Oakwood, VA 24631	12.55 acres	0.73135%
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List of Conflicting Owners/Claimants that Require Escreow

	Net Acres in Unit	Interest in Unit
<u>TRACT #16B- 1.12 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Big Axe Land Company Tr 2 c/o Landon R. Wyatt, Jr. Wyatt Buick Sales Danville, VA 24541	1.12 acres	0.06527%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Iris Lee Nunley Rt. 3, Box 171-B Lebanon, VA 24266	1.12 acres	0.06527%

VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed, admitted to record this 29th day of April, 1998 at 12:38 P. M.
Deed Book No. 475 and Page No. 291 TESTE: James M. Bevins, Jr., Clerk
Returned this date to Glenn Davis TESTE: Jessie S. Miller Deputy Clerk

INSTRUMENT #980001112
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY, GA.
APRIL 29, 1998 AT 1:30PM
JAMES M. BEVINS, CLERK

BY:

